GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Infrastructure and Investment Department - to extend the state support at about 70% of the existing subsidy to M/s. Inter-Globe Aviation Limited (IndiGo) to operate four (4) flights per week on Chennai- Kadapa and Vijayawada - Kadapa routes and three (3) flights per week on Bengaluru - Kadapa and Visakhapatnam - Kadapa routes for a further period of 1 ½ year w.e.f. 26-03-2023 - Approved - Orders - Issued.

INFRASTRUCTURE & INVESTMENT (AIRPORTS) DEPARTMENT

G.O.Rt.No.50.

Dated 03-08-2023.
Read the following:

1) G.O.Rt.No.6, I&I (Airports) Dept., Dated 31.01.2022.
2) G.O.Rt.No.9, I&I (Airports) Dept., Dated 10.03.2022.
3) From the Vice President - Aeropolitical Affairs & Airline Partnerships, IndiGo (Inter Globe Aviation Limited), dated 28.02.2023.

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ORDER:

The Ministry of Civil Aviation, Government of India (MoCA) has implemented the Regional Connectivity Scheme (RCS-UDAN) to enhance regional connectivity at identified unserved/underserved airports across the country and accordingly, Kadapa Airport has been allotted a RCS route i.e., Two way Kadapa- Hyderabad and M/s. Trujet has operated this route starting 27-04-2017 from this airport. Later on, services in Chennai (16-11-2017), Vijayawada (01-03-2018) & Belgaum (01-03-2020) routes have been commenced by the same airline operator.

2. As the RCS-UDAN scheme offers VGF support for only 3 years for any route from date of its first flight, the airline operator has discontinued services in all routes except the Belgaum route. However, due to increased demand from the people of Kadapa to extend the discontinued routes under RCS-UDAN scheme, the GoAP has requested the MoCA for extension of VGF support in these discontinued routes, for which the MoCA has not agreed.

3. In the G.Os 1st & 2nd read above, in order to ensure enhanced connectivity to the people of Kadapa and surrounding areas, the Government has permitted the MD, APADCL to enter into a Selected Airline Operator Agreement (SAOA) with M/s. Inter-Globe Aviation Limited (IndiGo) to operate four (4) flights per week on Chennai-Kadapa and Vijayawada - Kadapa routes, with the State Support to an extent of Rs.20 crores and three (3) flights per week on Bengaluru - Kadapa and Visakhapatnam - Kadapa routes, with the State Support to an extent of Rs.15 crores, on mutually agreed terms and conditions, for a period of one year, starting from the date the operation starts.

4. In the letter 3rd read above, the Vice President - Aeropolitical Affairs & Airline Partnerships, IndiGo has informed that the Government of Andhra Pradesh has given support to IndiGo for operation of scheduled flights between Kadapa and Bangalore, Chennai, Vijayawada and Visakhapatnam. The performance for all these routes has been as expected, endorsing their estimates that these flights would not be feasible at all without the support of the Government of Andhra Pradesh. In such a situation, it will most likely not be feasible for IndiGo to continue these operations without extension of the support package, ideally for another year. The Vice President - Aeropolitical Affairs & Airline Partnerships, IndiGo has requested to consider extending the support agreement on all four routes for one more year effective 26-Mar-2023 at about 70% of the existing subsidy.

5. Government after careful examination hereby consider to extend the state support at about 70% of the existing subsidy to M/s. Inter-Globe Aviation Limited (IndiGo) to operate four (4) flights per week on Chennai- Kadapa and Vijayawada - Kadapa routes and three (3) flights per week on Bengaluru - Kadapa and Visakhapatnam - Kadapa routes for a further period of 1 ½ year with effect from 26-03-2023.

6. The Managing Director, AP Airports Development Corporation Limited (APADCL) shall take necessary action accordingly.

7. This order issues with the concurrence of the Finance Department vide their U.O.No.Fin01-FMU0ASD(IIE)/6/2021-FMU-IIEIC with Comp.No.1401278 Dated 26-07-2023.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N.YUVARAJ
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To
The Managing Director, APADCL, Vijayawada.
The VP & Head - Network Planning, InterGlobe Aviation Ltd., (IndiGo).

Copy to:
The O.S.D. to Prl.Secy., to Hon'ble C.M.
The P.S to Hon'ble Minister for I&I.
The O.S.D. to C.S to Government.
The P.S to Spl.C.S to Govt., I&I Department.
The Finance (FMU-I&I, Energy and I&C) Department.
The GA (Cabinet) Department.
Sf/Scs
(C.No.INI01-APAD/20/2021-Airports **Computer No:** 1399381)

//Forwarded :: By Order//

SECTION OFFICER